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Termination Rights and the *Real* Songwriters

By Geoffrey P. Hull*

Collaboration—the act of more than one songwriter writing a song—has seldom, if ever, been more popular or prevalent in popular music. A perusal of a recent *Billboard* Hot 100 singles chart revealed that 85 of the charted songs had more than one writer in their credits. Of the fifteen with single writer credits, thirteen were by the recording artists. The other two were remakes of decades-old hits.¹ More often than not, especially on the pop charts, some of the co-writers are the recording artists or the producers of the recording. Many times these artist and producer co-writers have actually written part of the song. Other times, however, they may have been involved in a deal that granted co-writer credits in exchange for recording the song. What are the implications of the creation of phony co-writer status for the copyright ownership and for the rights of the “real” authors? This Article attempts to unravel the situation created by overreaching

I. Co-Authorship in Songwriting

The extent to which producers, artists, label executives, and others may demand writer credits and shares of copyrights in return for recording a song is difficult to determine. It is clear that the practice is longstanding. Al Jolson reportedly got one-third writer credit and income on the song “California Here I Come,” though the song was actually written by Buddy DeSylva and Joe Meyer.² ASCAP lists 43 compositions with Jolson as a co-writer.³ Elvis Presley’s Presley Music and Gladys Music were created so that Elvis could own the publishing rights to songs he recorded, or could become a co-writer as well. Elvis’ rights in “Heartbreak Hotel” were likely a result of this arrangement.⁴ BMI lists 22 compositions with Presley as a co-writer.⁵ Record label executives George Goldner of Gee Records and Morris Levy of Big Seven Music/Roulette Records listed themselves as

“Al Jolson reportedly got one-third writer credit and income on the song “California Here I Come,” though the song was actually written by Buddy DeSylva and Joe Meyer.”

authors on copyright registrations of “Why Do Fools Fall in Love,” even though neither was a “true” author.⁶ BMI lists Goldner as a writer or co-writer on 45 compositions and Levy as co-

artists and producers. It argues that “real” authors have a remedy to get their copyrights back by utilizing the statutory right of termination of transfers.

writer on three compositions. More recently, the *New York Post* reported that Celine Dion and her husband/manager were demanding

20 percent of publishing royalties for putting songs on the "Let's Talk About Love" album.⁷ Songwriter Jimmy Webb, writer of "By The Time I Get to Phoenix," "Up, Up and Away," "The Worst That Could Happen," "Mac Arthur Park," and "Wichita Lineman" recounts,

On one occasion I sat at the piano and played a song for a staff producer who made a couple of diffident suggestions – one of which I thought was not too bad, and which I subsequently incorporated rather absentmindedly into the finished product. He recorded the song, sang it himself, had the recording pressed up before I knew it, and there under the song's title in parentheses, his name was included with mine [as a co-writer].⁸

This Business of Music notes, "Some dissatisfied publishers claim they are forced to share copyrights with recording stars and record company publishing affiliates, and that this is akin to payola; however the practice appears uncoerced from a legal point of view."⁹ It suggests that a contractual "cut-in" share of royalties for artists or labels in publishing income is preferable to a "co-writing" credit or co-ownership of the copyright. "Asking for a cut-in is not the same as demanding to be named a co-writer of the composition to obtain a share of the writer credits and payments from ASCAP or BMI [or SESAC]. The latter practice may constitute a fraudulent registration in the Copyright Office."¹⁰ Part IV, below, discusses the possible effects of such a fraudulent registration.

These scenarios suggest two situations where someone other than the original writer of a song later becomes a co-writer in name only, obtains some or all of

the publishing rights on the song, or gets a split of revenues or music publishing with the artist's

or producer's publishing company. In one instance, the original writer may have agreed to, or at least tacitly accepted, the other party's presence, perhaps as an incentive to get a producer or artist to record the song. In the other, the original writer did not agree to other party's partial copyright ownership; the other party simply inserted his or her name in the copyright registration or album credits as a writer.

If the music publisher to whom the original writer transferred copyright ownership in exchange for royalties cuts in, or shares, the publisher's share of copyright ownership or earnings with a third party, then the author initially should have no objection. Such arrangements would not usually reduce the writer's standard fifty percent share of the publishing revenues. On the other hand, if the original writer finds that the recording artist or producer demands a share of the credits and rights as a songwriter or publisher to get the song recorded, then the original writer is at a disadvantage. Faced with the superior bargaining and gate-keeping power of an artist or producer, the original writer must either share writer credits and royalties or look elsewhere to get the song recorded. For songs that have already become hits, the writers could probably find other outlets for their recordings. The same is not true for previously unrecorded songs of undetermined value, where the original writer has almost no choice other than to allow the artist or producer to be listed as a co-writer and give up a share of the earnings. With the duration of copyright now lasting generally for life of the author plus seventy years,¹¹ or 95

"If the recording artist or producer does not create any of the song, then they cannot be authors in the strict Constitutional sense of the word."

years for works created and published before 1978,¹² songwriters may not have an option.

There is, however, a mechanism in the copyright law that should enable the original writer to recapture the entire copyright, even though these recording artists and

producers claim shares of the copyrights as writers when they are not. If the artists and producers are not really joint authors, as will be explored below, then they must be licensees or transferees. If that is the case, then their rights to utilize the work are subject to statutory termination of transfers by the original writer(s) or their heirs under the termination of transfers provisions of the Copyright Act of 1976.¹³

A. Co-writing and Joint Authorship

It is quite common, especially in musical compositions, for more than one author to be involved in the creation of the work. In most of these situations, the definitions of the Copyright Act regard them as "joint authors." A "joint work" is one "prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole."¹⁴ The legislative history suggests that, when one songwriter creates the words to a song and another creates the music, they would be creating joint works because their works are designed to be interdependent parts of a whole.¹⁵ Certainly, when both writers contribute to both parts of a song, they would be creating a joint work. A song may be considered a joint work even where a lyricist wrote the words *before* he knew the identity of the composer, as long as that is what he had intended.¹⁶

Once the work is deemed to be "joint," there are several presumptions that take effect. Joint authors are generally treated similarly to tenants in common.¹⁷ The statute itself terms them as "co-owners" of the copyright.¹⁸ Their shares are presumed to be equal, not related to

"A more difficult question is the extent to which a contribution must be made by a putative co-author in order for that person to be accorded the status of a 'joint author.' "

their contributions, unless there is some written indication to the contrary. In *Papa's-June Music, Inc. v. McLean*, the court held that Harry Connick, Jr. and Ramsey McLean owned equal shares in the works in question because there was no agreement prior to their creation that the shares were to be anything other than equal.¹⁹ In past collaborations, McLean and Connick agreed to split their ownership 30/70, respectively.²⁰ The court noted that a split other than 50/50 constituted a transfer of copyright ownership and, as such, had to be in writing.²¹ McLean had made Connick aware that he wanted to alter the arrangement for the songs in question, but Connick proceeded to assume a 30/70 split, asserting an oral agreement on the previous split.²² In requiring a written agreement, Judge Cedarbaum stated,

An author can mistakenly or fraudulently claim an oral transfer of copyright ownership from his joint author. If joint authors are forced to put their agreement into writing, there is less opportunity for fraud or mistake. Moreover, if an agreement to alter the statutory presumptions of equal ownership and equal right to license and perform the joint work is put into writing, the authors will have less need to resort to the courts to resolve disputes about the terms of their mutual understanding.²³

As co-owners, they may not sue each other for infringement because each has a right to utilize the work.

A critical fact examined in questions of joint works is the intention of the authors. The

statute requires that they have the “*intention* that their contributions be merged into inseparable or interdependent parts of a unitary whole.”²⁴ The legislative history, court decisions, and commentators all underscore the importance of the intent of the authors. The House Report notes:

The touchstone here is the intention, at the time the writing is done, that the parts be absorbed or combined into an integrated unit, although the parts

“...the recording artist or producer is not an “author” within the meaning of the copyright act...”

themselves may be either ‘inseparable’ (as the case of a novel or painting) or ‘interdependent’ (as in the case of a motion picture, opera, or the words and music of a song).²⁵

Nimmer, for instance, states that, generally, there cannot be an implied agreement to create a joint work after one of the parts has been completed because there was no intention on the part of the first author to do so at the time of creation.²⁶ The House Report even posits the example that one writing a song or novel with the hope that it will be used for a motion picture does not become a joint author of the motion picture because the song or novel is a separate work of authorship created prior to the movie.²⁷ The leading cases of *Childress v. Taylor*²⁸, *Thomson v. Larson*²⁹, and *Almuhammed v. Lee*³⁰ all focus on the intent of the putative co-authors at the time of the writing. In those cases, the collaboration and contributions were made at the time of writing. In *Childress* and *Thomson*, the contributions were of a dramaturge; in *Almuhammed*, they were of a researcher for Spike Lee’s movie of the *Autobiography of Malcolm X*. In *Childress*, the

court stated, “What distinguishes the writer-editor relationship and writer-researcher relationship from the true joint author relationship is the lack of intent of both participants in the venture to regard themselves a joint authors.”³¹ In the case of the producer or recording artist asking to be considered co-writers, if the actual writer agrees both parties may intend that the producer or recording artist be considered a co-writer, but that intention did not exist at the time the work was created. Furthermore, the expression of

the “intent” takes the form of an “agreement” forced on the original author by overreaching on the part of the putative co-author in a situation where there is incredibly unequal

bargaining power. On the other hand, if a writer took a mostly completed song to a recording artist or producer “intending” to finish it with the other person as a co-writer, a court would likely find the requisite intent to create a joint work.

B. Fake Co-Writers as Joint Authors

The Constitution grants Congress the power to protect the writings of “authors.”³² As interpreted by the Supreme Court, the term “author” means “he to whom anything owes its origin.”³³ More specifically, the Court has noted, “[a]s a general rule, the author is the party who actually creates the work, that is, the person who translates an idea into a fixed, tangible expression entitled to copyright protection.”³⁴ If the recording artist or producer does not create any portion of the song, then they cannot be authors in the strict, constitutional sense of the word.

Courts and commentators have all concluded that there must be some kind of “authorship” contribution in order to be considered an “author.” Nimmer states, “the contribution must be one of authorship in

order to constitute the contributor a joint author. For instance, one who merely contributes financing should not, by reason of such fact, be entitled to claim as a joint author."³⁵ Thus, one court concluded that a producer who "'made no musical or artistic contribution' to the tapes [and] did not serve as the engineer at the sessions or direct the manner in which the songs were played or sung" could not be a joint author of a recording.³⁶

A more difficult question is the extent to which a contribution must be made by a putative co-author in order for that person to

copyright law to oblige all joint authors to make copyrightable contributions, leaving those with non-copyrightable contributions to protect their rights through contract."⁴¹

In a case that applied the Goldstein principle to musical works, the court in *BTE v. Bonnecaze*⁴² held that 'Better Than Ezra's' former drummer could not claim a share of the group's song copyrights unless he had contributed something beyond "ideas" and "working up" the song so that it could be recorded. The court observed that other courts had adopted the Goldstein test, noting, "[t]he insistence on copyrightable contributions by all putative joint

authors might serve to prevent some spurious claims by those who might otherwise try to share the fruits of the efforts of a sole author of a copyrightable work...."⁴³ This test "evidences a desire to limit the claims of

"A writer who is not identified as such on the registration must prove that he is an author. Similarly, actual authors have to disprove that someone who is listed as an author is not actually an author."

be accorded the status of a "joint author." The joint author status is significant since joint authors own equal shares of the copyrights. Although neither the courts nor commentators require equal contributions, the prevailing view is that the contributors must make separate, *copyrightable* contributions in order to have a claim for joint author status.³⁷ This is the view expressed by Paul Goldstein³⁸ and adopted by the Second Circuit in the leading joint authorship case of *Childress v. Taylor*.³⁹ In that case, Taylor, who came up with the idea of a play about the life of comedienne "Moms" Mabley, could not be a joint author simply because she had contributed the initial idea for the play and ideas for some of the scenes. "Care must be taken," said the court, "to ensure that true collaborators in the creative process are accorded the perquisites of co-authorship and to guard against the risk that a sole author is denied exclusive authorship status simply because another person rendered some form of assistance."⁴⁰ The court concluded, that "[i]t seems more consistent with the spirit of

'overreaching' contributors."⁴⁴

Similarly, the recording artist's interpretive variations in the recorded performance would not qualify as copyrightable contributions to the composition. The mechanical license typically used by the record companies to record and distribute copies of a recording either incorporates by reference the provisions of the compulsory mechanical license of 17 U.S.C. §115, or alters them in part to suit the record companies' desires to reduce the statutory rate or alter the accounting provisions. In either event, the typical license and statutory provisions preclude one from considering a performer's stylistic variations as copyrightable because such variations comprise a derivative work; thus, they are generally excluded from the license. A typical negotiated license states, "The license includes the privilege of making a musical arrangement of the Composition to the extent necessary to conform it to the style or manner of interpretation of the performance involved, but the arrangement made (i) may

not change the basic melody or fundamental character of the lyrics of the composition, (ii) shall not be subject to protection under the Act by Licensee as a derivative work...."⁴⁵ This mirrors the statutory language of the compulsory license provision.⁴⁶

Approaching this question from the other direction, *i.e.*, looking at what might constitute a derivative work in the first place, the prevailing view is perhaps summarized in *Woods v. Bourne Co.*,⁴⁷ in which Bourne claimed that a piano edition of a song was sufficient to make it a derivative work and, hence, immune from termination under the derivative works exception. The Court in *Woods* stated:

In order therefore to qualify as a musically 'derivative work,' there must be present more than mere cocktail pianist variations of the piece that are standard fare in the music trade by any competent musician. There must be such things as unusual vocal treatment, additional lyrics of consequence, unusual altered harmonies, novel sequential uses of themes—something of substance added making the piece to some extent a new work with the old song embedded in it but from which the new has developed. It is not merely a stylized version of the original song where a major artist may take liberties with the lyrics or the tempo, the listener hearing basically the original tune.⁴⁸

Thus, the recording artist or producer is not an "author" within the meaning of the copyright act because (1) they did not make a copyrightable contribution to the musical composition, and/or (2) it was not the intent of the actual author at the time of creation of the work that the producer or recording artist be a joint author. Falsely claiming authorship on the copyright registration form cannot create status as an author.

C. The Effect of a Registration Showing the Phony Author as a Co-Author

Unlike the Patent Office, the Copyright Office does not actually *grant* copyrights. Rather, copyright protection begins upon the

creation of the work, *i.e.*, "when it is fixed in a copy of phonorecord for the first time."⁴⁹ The act of registration of the work with the Copyright Office is permissive and, as the statute says, "not a condition of copyright protection."⁵⁰ Registration does provide the copyright holder with certain advantages, however. If completed within five years of first publication, the registration is *prima facie* evidence of the validity of the copyright and of the facts stated in the registration certificate (which is simply a copy of the application form).⁵¹ Registration may be completed at any time during the life of the copyright, but is required of works that originate in the United States in order to sue for infringement.⁵² For a successful plaintiff to obtain statutory damages or attorney's fees, a registration must be made within three months of publication or before the infringement took place.⁵³

While registration and the content of the registration application is important, it is not entirely determinative. The Copyright Office does not make determinations of ownership based on the registration claims, as there would be no reliable way to determine the validity of authorship statements.⁵⁴ The Copyright Act requires only that the Copyright Office determine that the material "constitutes copyrightable subject matter and that the other legal and formal requirements of this title have been met...."⁵⁵ At that point, the register "shall" issue the certificate of registration. As one court put it, "[r]egistration does not determine ownership."⁵⁶

Since there is no actual determination of authorship at the time of registration, considering the registration form *prima facie* evidence shifts the burden of proof to the party claiming that the facts are contrary to those indicated on the registration form. A writer who is not identified as such on the registration must prove that he is an author. Similarly, actual authors must disprove the claim that someone who is listed as an author is not actually an author.⁵⁷ *Goldstein* notes that the presumption of the validity of the facts is not as strong as that of the validity of the copyright.⁵⁸ Furthermore, the presumption "merely orders the burdens of proof. The plaintiff should not ordinarily be forced in the first instance to prove all of the multitude of

facts that underline the validity of the copyright unless the defendant, by effectively challenging them, shifts the burden of doing so to the plaintiff.”⁵⁹ In *Merchant v. Lymon*,⁶⁰ for example, the court considered whether a record producer who regularly put his name as an author on copyright registrations could be considered an owner. It noted that a pattern of consistently claiming to be an author on other works that he had not created was evidence that enabled the jury to rebut the presumption of authorship as stated in the registration forms.

Even so, there is the practical matter that evidence as to who wrote a particular composition may be difficult to produce twenty-five to forty years⁶¹ after the original fact.⁶² A demonstration recording prior to the putative writer’s exposure to the work would be good evidence. Testimony of others who heard the song being performed by the actual writers may also be good evidence.

II. Termination Rights

The Copyright Act of 1976 gives authors a non-transferable right to terminate transfers (which term includes assignments and exclusive licenses)⁶³ and non-exclusive licenses of the copyrights in their works during a five year period that begins after 35 years from the date of the execution of the grant and runs through 40 years after the date of execution of the grant. If the grant involves the right to publish the work, the termination right begins after 40 years after the grant or 35 years after first publication, whichever ends earlier.⁶⁴ For

period of five years beginning at the end of fifty-six years from the date the copyright was originally secured, or beginning on January 1, 1978, whichever is later.”⁶⁵ The Sonny Bono Copyright Term Extension Act⁶⁶ in 1998 added an additional termination provision for pre-1978 works whose termination period had expired and the author or other termination rights owners had not previously exercised the termination right.⁶⁷ For those works, an additional five-year termination period begins “at the end of 75 years from the date copyright was originally secured.”⁶⁸ For transfers executed on or after January 1, 1978, only those made by the author are subject to termination.⁶⁹ For transfers made prior to January 1, 1978, those executed by the author, the author’s surviving widow or widower, children, grandchildren or a deceased author’s executor, administrator, personal representative, or trustee are subject to termination.⁷⁰ If the transfer was testamentary, it is not terminable in either case. The actual wording of the statute is that transfers “otherwise than by will” are subject to termination.⁷¹ In neither case do the termination provisions apply to works made for hire.⁷² That is one of the reasons why, as the House Report explains, the definition of works made for hire in the 1976 Act is so important.⁷³

Two details of the termination provisions are particularly crucial to the current discussion. In the case of joint works, for transfers made on or after January 1, 1978, “termination of the grant may be effected by a

“Not only would the actual songwriter be precluded from getting a full share of the copyrights upon termination, they would also be precluded from even getting half of the copyrights through a termination proceeding”

majority of the authors who executed it....”⁷⁴ The legislative history is clear that the requirement of a *majority* of ownership of the termination interest agree to terminate a transfer means

works whose federal copyrights were subsisting before January 1, 1978, “[t]ermination of the grant may be effected at any time during a

something more than fifty percent ownership of the termination interest.”⁷⁵ If the songwriter and recording artist were actually joint authors,

this would require that *both* of them act to terminate any transfer.⁷⁶ If, for example, the phony artist/authors had transferred copyrights to publishing companies they owned, then the actual songwriter could not terminate such a transfer without the consent of the artist. Not only would the actual songwriter be precluded from getting a full share of the copyrights upon termination, the songwriter would also be precluded from getting even half of the copyrights through a termination proceeding if the phony “authorship” of the artist or producer stands. This would doubly thwart the congressional purpose of protecting authors against unremunerative transfers.⁷⁷

For transfers made before January 1, 1978, an individual author, or their statutory heirs, may terminate a transfer of that author’s share of the copyrights.⁷⁸ This is different from the Section 203 provision, which requires that the transfer of the entire interest be terminated.⁷⁹

The legislative history indicates that this intentional difference is because Congress viewed the renewal rights as creating separate and new “estates.” “It would therefore be inappropriate to impose a requirement of majority action with respect to transfers executed by two or more joint authors.”⁸⁰ For pre-1978 transfers, the actual songwriters or their heirs would at least be able to recapture the actual songwriter’s share of the copyrights, even if the status of the phony author stood.

A second significant provision is that “[t]ermination of the grant may be effected notwithstanding any agreement to the contrary, including an agreement to make a will or to make any future grant.”⁸¹ Identical language appears in both the Section 203 and 304 termination provisions. Reflecting on the “practical compromise” of the Section 203 provisions, the House Report states that although termination is not automatic and

requires some affirmative action on the part of the terminating parties (i.e., notice to the transferee or licensee whose rights are being terminated), “the right to take this action cannot be waived in advance or contracted away.”⁸² An author/songwriter’s agreement to treat someone who has not in fact authored any portion of the song as a co-writer can certainly be viewed as an “agreement to the contrary.” It operates to cut off the termination right because the act of creating the work does not involve any transfer of ownership that could be terminated.

This provision has only been significantly litigated once since passage of the 1976 Act. In *Marvel Characters, Inc. v. Simon*⁸³ the Second Circuit Court of Appeals held that

“From the beginning of the copyright law revision process in 1965, Congress sought to provide authors with some means to protect themselves against ‘unremunerative transfers’...”

a settlement agreement entered into in 1969 which stated that Simon had created the Captain America comic hero as a work made for hire was an “agreement to the contrary.” The District Court was therefore incorrect in granting summary judgment to Marvel on the issue of work made for hire because Simon had submitted evidence that he was the author and had created the work prior to any relationship with Marvel.⁸⁴ In reaching that conclusion, the Second Circuit examined the legislative history of Section 304(c) and concluded that an agreement that a work was made for hire entered into after the work was created,

would thwart the clear legislative purpose and intent of the statute. If an agreement between an author and publisher that a work was created for hire were outside the purview of § 304(c)(5), the termination provision

would be rendered a nullity; litigation-savvy publishers would be able to utilize their superior bargaining position to compel authors to agree that a work was created for hire in order to get their works published.⁸⁵

The court also found support in *Mills Music, Inc. v. Snyder*⁸⁶ that the clear intent of the termination provisions in general was to protect authors from "ill-advised and unremunerative grants that had been made before the author had a fair opportunity to appreciate the true value of his work product."⁸⁷ Similarly, the court found support in *Nimmer on Copyright*, which concludes that parties cannot agree that a work was created for hire when in fact it was not, because such an agreement would be an "agreement to the contrary" that could be terminated.⁸⁸ An after-the-fact agreement that someone else is an author, when in fact they are not, should be no less terminable than an after-the-fact work for hire agreement, or even a settlement stipulation. Although Marvel contended that upsetting the settlement stipulation would open floodgates of litigation, the court noted, "[i]f the parties intend to preclude any future litigation regarding authorship by settling their claims, they need only comply with the requirements of collateral estoppel by filling a detailed stipulation of settlement, complete with sufficient factual findings on authorship, with the court."⁸⁹ Of course, factual findings that the phony author is in fact an author would not be possible because the works would have been created by the songwriter before the artist or producer entered the picture.

The *Marvel* court went even further, ruling that the doctrine of equitable estoppel "does not supercede § 304(c)."⁹⁰ Even though the authorship claims may relate to "long dormant copyright ownership issues," said the court,

[i]n fact, Congress's goal in providing authors with this termination rights was to enable them to reclaim long lost copyright grants. As the district court correctly recognized, virtually every copyright holder could fashion a similar equitable estoppel argument in

response to an author's legitimate exercise of his termination rights. Permitting such an exception, however, would contravene the plain language, intent, and purpose of § 304(c).⁹¹

From the beginning of the copyright law revision process in 1965, Congress sought to provide authors with some means to protect themselves against "unremunerative transfers" made prior to any determination of the true value of the work.⁹² That purpose has been recognized in virtually every court opinion that has addressed termination rights. In *Mills Music*, the Supreme Court noted:

[t]he termination right was expressly intended to relieve authors of the consequences of ill-advised and unremunerative grants that had been made before the author had a fair opportunity to appreciate the true value of his work product. That general purpose is plainly defined in the legislative history and, indeed, is fairly inferable from the test of § 304 itself.⁹³

The often cited House Report language on the subject states, "[a] provision of this sort is needed because of the unequal bargaining position of authors, resulting in part from the impossibility of determining a work's value until it has been exploited."⁹⁴ The leading treatises also recognize this important function of the termination rights.⁹⁵ *Nimmer* specifically notes, "[t]he entire thrust of the termination procedures is to protect authors given their unequal bargaining posture."⁹⁶

The Supreme Court has considered the implications of the termination provisions of the 1976 Act twice since its passage. In *Mills Music*, the Court balanced competing interests of an author (songwriter's heirs), the author's transferee of rights (music publisher), and the creators of derivative works (record companies) whose rights were received through a grant from the author's original grantee.⁹⁷ In *Stewart v. Abend*, the Court analyzed the termination provisions to shed light on a film company's argument that renewal of copyright under the 1909 law should not cut off the rights of the creator of a derivative work to utilize that work

“In the case of a recording artist or producer falsely claiming authorship, the link to the original writers through the publisher can still be preserved... even if the link to the name-only writers is severed.”

application to the recording industry in *Mills Music*, the Supreme Court specifically considered the proposition that record companies create derivative works (sound recordings) of musical

after renewal.⁹⁸ In *Stewart* the Court took judicial note of the fact that the termination provisions embodied in the 1976 Act were the result of compromises between various competing interests; when the agreement on the compromise was reached, the debate all but ended.⁹⁹ Therefore, said the Court, “the process of compromise between competing special interests leading to the enactment of the 1976 Act undermines any such attempt to draw an overarching policy out of...[the termination provision].”¹⁰⁰ That same compromise was noted in *Mills Music*¹⁰¹ and *Community for Creative Non-Violence v. Reid*.¹⁰² The highly negotiated compromise made the Court reluctant to read into these parts of the statute any applications that are not clearly apparent on the face of the statute or in the legislative history. This reluctance would operate to the detriment of the artist or producer as a designated, but not actual, co-writer. They are not “authors” who have made “unremunerative” transfers and need to be protected. Rather, they are the persons who caused the songwriter to make the unremunerative transfer in the first place.

III. The Derivative Works Exception

The statutory termination provisions for pre-1978 works¹⁰³ and post-1978 works¹⁰⁴ contain identical language that protects the creators of derivative works. A derivative work “prepared under authority of the grant before its termination may continue to be utilized under the terms and conditions of the grant after its termination.”¹⁰⁵ In its exploration of the history of the termination provisions and their

compositions and that they deserve to be allowed to continue to use those recordings, despite a termination of the transfer of rights between the songwriter and the music publisher.

¹⁰⁶ Typically, the songwriter transfers the copyrights to the music publisher in exchange for royalties and possibly advances. The publisher then licenses others, including record companies, to utilize the work in exchange for royalties that are usually shared equally with the songwriter. The question in *Mills Music* was whether, following a termination of the transfer from the songwriter to the music publisher, the music publisher could continue to collect the license fees from the record company for recordings made prior to the termination or whether the record company had to pay those royalties directly to the songwriter.¹⁰⁷ If the latter was the case, the publisher would not be able to collect their fifty percent as they had prior to the termination. Drawing a parallel to the large investment that motion picture producers make in creating a motion picture based on a play or novel, the Court said, “record companies must also make a significant investment in compensating vocalists, musicians, arrangers, and recording engineers.”¹⁰⁸ This protection allowed the public to benefit because the derivative work creator had made substantial investment to bring the public a new form or version of the original work. It ensured that the derivative work could continue to be available and exploited even after a termination of the transfer to the publisher.¹⁰⁹ The Court concluded that because the recordings made by record companies were derivative works based upon the songs recorded, the derivative works exception allowed the record companies to continue to utilize their recordings created prior to

the termination.¹¹⁰ If the record companies could continue to utilize their works, the Court reasoned, the “terms and conditions” under which they could use the work must include the continued payment to the music publisher. The music publisher would then continue to pay half of the royalties collected to the Snyders, the songwriter’s heirs.¹¹¹

How does that interpretation apply to the situation where the transfer being terminated is one that had been made to a recording artist or producer to persuade them to make a recording of the song? There are two possible outcomes, both of which allow the record company to continue to be able to use their derivative work. Only one of them causes royalties to be paid through the publisher to the original writer only, while the other outcome directs payment of royalties to the original writer

and the name-only writers. As discussed below, the language of the *Mills Music* decision appears to support the continued flow of royalties to both actual and name-only writers for recordings made prior to the termination.

The license that allows the record company to make a recording of a song, a mechanical license, comes from the copyright owner of the musical composition, the music publisher. The decision in *Mills Music* preserved the grant from the writer to the publisher and the grant from the publisher to the label. Otherwise, said the Court, the songwriters had no right to collect any royalties at all from the labels. It explained,

[I]f the Exception [derivative works exception] is narrowly read to exclude [the publisher] from its coverage, thus protecting only the class of ‘utilizers’ as the Snyders [the writer’s heirs] wish, the crucial link between the record companies and the Snyders will be

missing, and the record companies will have no contractual obligation to pay royalties to the Snyders. If the statute is read to preserve the total contractual relationship, which entitled Mills to make duly authorized derivative works, the record companies continue to be bound by the terms of their licenses, including any terms requiring them to continue to pay royalties to Mills.¹¹²

In the case of a recording artist or producer falsely claiming authorship, the link to the original writers through the publisher can still be preserved, as *Mills Music* requires,

“In cases involving claims of ownership, the courts tend to view the accrual of the cause of action as taking place upon the initial publication where copyright ownership and authorship may be claimed on the published copies.”

even if the link to the name-only writers is severed. Terminating a transfer of partial ownership rights to the recording artist would not sever the link between the original writers and the record labels. Since the record company, not the artist or producer, has obtained the license and created the derivative work, there is no reason to allow the name-only writers to continue to be able to collect royalties. The purpose of protecting the public by making sure that the derivative work will still be available is served. The purpose of protecting the investment made by the record company is also preserved. Both of these goals of the derivative works exception are achieved even though the recording artist or producer may no longer have any rights. The purpose of protecting the writers from unremunerative transfers is better served by this result—a result that the Court recognized as a “principal purpose” of the termination right.¹¹³

The decision in *Mills Music* was five to four over a strong dissent.¹¹⁴ Most

commentators have concluded that the Court incorrectly analyzed the legislative history, or perhaps the lack of clear legislative history, and that the dissent was closer to being correct.¹¹⁵

One concluded,

"The Court nonetheless [in the face of no clear intent] imputed to Congress a purpose to prevent authors from divesting their assignees of proceeds from the

exploitation of derivative works by third parties, effectively reversing what the parties had expected their compromise to accomplish."¹¹⁶ It may be that a court could be persuaded that the situation of the name-only writer should be interpreted differently because it is so clearly the result of a transfer that resulted from unequal bargaining positions.

On the other hand, the purpose of the grant or license to the recording artist and producer is to encourage them to create the derivative work. Under the "terms and conditions" of the grant, the derivative work would be created and the artist or producer would be treated as co-writers. Should not they, too, be allowed to continue to collect royalties because they created the derivative work? More specifically, the Court clearly read the statute to require preservation of the "total contractual relationship."¹¹⁷ That includes the name-only authors' grant of rights to their publisher and their publisher's mechanical license to the record company. Even if their publisher was different from that of the original writer, the transfer of rights to the name-only writers ultimately became part of the rights that the labels obtained to make the recordings. Therefore, those would presumably also be preserved by the derivative works exception.

The best case scenario for the name-only writers would then be much like that of the publisher in *Mills Music*. They would be allowed to continue to collect their share of royalties for mechanical licenses issued prior

to the termination. Perhaps the royalties should be limited to those from the derivative work that they created. However, since neither they nor their publisher could issue any more

"Whether a person is an author or not has bearing on several important prospective aspects of the copyright ownership dating from the sending of the termination notice."

licenses after the effective date of termination, the original writer would be able to collect the entirety of any royalties due to writers for licenses issued after the termination. If the name-only writers had their own music publishing companies, their companies would stand in the same situation as *Mills Music*—collecting only for pre-termination licenses.

IV. Statute of Limitations, Laches and Other Problems

A. Statute of Limitations

The statute of limitations will undoubtedly be one of the defenses to an attempt by a songwriter to assert sole authorship through a termination action. The Copyright Act requires that "[n]o civil action shall be maintained under the provisions of this title unless it is commenced within three years after the claim accrued."¹¹⁸ In an infringement case, the ordinary interpretation is that the three-year limit begins to run in an infringement case "when the plaintiff knew or should have known of the infringement."¹¹⁹ In cases involving claims of ownership, the courts tend to view the accrual of the cause of action as taking place upon the initial publication where copyright ownership and authorship may be claimed on the published copies. In *Zuill v. Shanahan*, the Ninth Circuit held that an express repudiation of the status of plaintiffs as co-authors of the *Hooked on Phonics* music started the three-year period running.¹²⁰ The

acts of repudiation included written and contractual offers to the plaintiffs, and the copyright notice on published copies of *Hooked on Phonics*, which plaintiffs had received.¹²¹ Unlike the situation in an infringement case where additional infringing acts may occur for years after an initial infringing act, thereby prolonging the period during which litigation may be commenced, the court noted that “[a]n infringement occurs every time the copyrighted work is published, but creation does not.”¹²² Because the plaintiffs in *Zuill* were not claiming copyright infringement, subsequent acts could not cause the accrual of new causes of action. In fact, they could not have claimed infringement because co-owners of copyrights cannot be liable to each other for infringement; each owns and may exercise the rights in the work.¹²³ The court noted that this was not a case where plaintiffs claimed that Shanahan was *not* an author at all, but rather, that they were co-authors.¹²⁴ In such instances, the court said,

“[i]t is inequitable to allow the putative co-owner to lie in the weeds for years after his claim has been repudiated, while large amounts of money are

spent developing a market for the copyrighted material, and then pounce on the prize after it has been brought in by another’s effort.”¹²⁵ The Ninth Circuit based its reasoning partially on the need for stability and predictability in copyright ownership, analogizing to the need for stability in real property where the accrual of a cause of action by co-owners starts to run when they are dispossessed, and either may gain title by adverse possession if the other doesn’t take action in a timely manner.¹²⁶

The plaintiffs made an interesting claim in *Zuill* that might apply to the case of an author trying to eliminate a phony co-author through a termination of transfer. They claimed that the statute of limitations should not bar their claim because Congress intended the

limitations of actions provisions to apply only to remedies, not substantive rights. The court examined the language from the Senate Report, which stated that some rights may be enforced collaterally even though the statute of limitations for the remedy has already run.¹²⁷ The Senate Report used the example of a mortgage foreclosure after the statute of limitations for enforcement of a debt had already run. The case of an author who has a right of termination of transfers to oust a phony co-author is in a similar vein. The *Zuill* court found no such collateral claim of right in that case, but *Zuill* was not a termination case.

Other courts have also held that those wanting to assert co-authorship may be barred by the statute of limitations. In *Merchant v. Levy*,¹²⁸ the Second Circuit held that the plaintiff teen-aged writers were charged with notice that they were being denied credit as writers upon attaining the age of majority in 1961. The statute of limitations had long since run when

“It makes no sense to apply a three-year statute of limitations starting on the date of the transfer, to a right that does not even exist until after 35 years after the date of the transfer.”

they filed suit in 1987. This was the case even though they were under duress from 1969 until possibly 1984, as they were threatened with death by the defendant because they were asking about royalties.¹²⁹

*Stone v. Williams*¹³⁰ involved a suit by the illegitimate daughter of Hank Williams to be declared an heir to his copyrights and copyright renewals and to royalties earned from Williams’ compositions. The court determined that Stone should have known of her rights in the copyrights as early as 1979.¹³¹ Even though she did not take legal action until 1985 the court said the statute of limitations did not bar her actions because she was attempting to assert a right of ownership and not a remedy.¹³² The court noted,

establishment of one's status as a child is necessary to maintain an action alleging deprivation of renewal rights; since a failure to satisfy such prerequisites to bringing suit may be cured and does not forever preclude relief for infringement, by a parity of reasoning, a failure to establish status as a child does not forever preclude relief for the invasion of renewal rights.¹³³

The court went on to say, however, that the accounting remedy could only take into account royalties due no more than three years prior to the filing of the suit.¹³⁴ The Ninth Circuit rejected the reasoning in *Stone*, calling it an "idiosyncratic" case and finding a difference between a claim of ownership based on status as an author and one based on renewal rights of heirs.¹³⁵

In contrast to these decisions stands *Goodman v. Lee*,¹³⁶ where the Fifth Circuit decided that Shirley Goodman, alleging that she was a co-author of "Let the Good Times Roll," could maintain an action for an accounting under Louisiana law. The jury determined that the statute had been tolled because Goodman did not know, and should not have known, until the copyright was renewed in 1984 that Leonard Lee had listed himself as sole author on the copyright registration form. Then, after using federal law to determine the question of authorship, the court applied Louisiana Law regarding the application for an accounting, which is a state law remedy. That statute of limitations does not begin to run until the party first demands the accounting.

Termination cases should be treated differently from those involving a situation where an author seeks a declaration of their status as co-author *ab initio*. Whether a person is an author or not has bearing on several important prospective aspects of the copyright ownership dating from the sending of the termination notice. First, only authors or their heirs have a right to terminate a transfer. Thus, if a songwriter made a transfer to an artist or producer, essentially giving them a share of the copyright by virtue of allowing them to claim

author status, then that transfer should be terminable under the statute. Furthermore, whether the artist or producer is an author has a bearing on the number of people required to execute a termination. The statute requires a majority of the authors who executed the grant of a joint work to join in its termination.¹³⁷ If an author is deceased at the time of termination, that author's interest may be exercised by the surviving widow or widower and children (or grandchildren of a deceased child), or the author's estate if none of the statutory successors are alive.¹³⁸ As a result, it is important to know who the authors are and what their shares of ownership are, as these answers have direct impact on the statutory right of termination.

In addition, once the notice of termination is sent to the grantee or licensee, the reclaimed rights vest on the date of the service of the termination notice.¹³⁹ This vesting is important to the determination of the descent of rights in the event that one of those sending the notice dies prior to the effective date of termination. Those in whom the rights vest may also negotiate with the terminated grantee upon delivery of the notice, but not with third parties until the effective date of termination.¹⁴⁰

Since there is no statutory right of termination until after 35 years after the transfer, or up to 40 years if the transfer involved the right of publication, the statute of limitations should not apply. It makes no sense to apply a three-year statute of limitations starting on the date of the transfer to a right that does not even exist until after 35 years after the date of the transfer. Such a result would render the termination provisions a nullity. Furthermore, there is the equivalent of limitation of actions for termination specifically built into the statute. If the effective date of termination does not fall within the allotted five-year period and the notice of termination is at least two, but no more than ten, years before the effective date of termination, the grant continues in effect.¹⁴¹ The legislative history clarifies further, "[t]his section means that, if the agreement does not contain provisions specifying its term or duration, and the author has not terminated the agreement under this section, the agreement continues for the term of the copyrights subject to any right

of termination under circumstances which may be specified therein.”¹⁴²

B. Laches

Laches is an equitable defense that prevents a plaintiff from pursuing an action where there has been a delay in asserting a right or claim, where the delay was not excusable, and where there was undue prejudice to the defendant.¹⁴³ In the case of a statutory termination of a transfer, there is no right until after the passage of the required 35-40 years. So long as the author exercised the right within the stated period, there would be no “unreasonable” delay because the statute itself defines what is reasonable by establishing a time frame within which the termination and notice of termination may take place. Nor would there be any undue prejudice to the producer or artist who is simply relying on the strength of their superior bargaining position to enforce a transfer of rights that is unremunerative for the actual author. Finally, most courts would require that those asking equitable relief come to the court with “clean hands.”¹⁴⁴ One who, in potential commission of a fraudulent registration, falsely claims authorship of a song is misleading the public and the Copyright Office.

C. Fraudulent Registration Claims

The Copyright Act criminalizes the act of “knowingly making a false representation” on a copyright registration application.¹⁴⁵ Such actions are punishable by a fine of up to \$2,500.¹⁴⁶ To date, however, whether a plaintiff or defendant fraudulently entered information on a copyright registration claim has seldom impacted the outcome of a case. In *Testa v. Janssen*,¹⁴⁷ a false statement of authorship, later corrected, did not prevent plaintiffs from pursuing their claim of infringement by the song “Keep on Singing” as recorded by Helen Reddy. The court stated that authorship error did not harm the defendant and did not relate to the subject matter of the dispute. Nor does such a misstatement on authorship affect the validity of the registration.¹⁴⁸

Fraudulent representation on the registration form does not give rise to any separate civil cause of action.¹⁴⁹ Specifically relevant to

this point is *Ashton-Tate Corp. v. Ross*,¹⁵⁰ where a failure to list the defendant as a co-author on plaintiff’s registration of a computer program did not create any civil liability for plaintiff in a counter-suit. The legislative history of the fraudulent registration section gives no further indication of any statutory intent beyond its plain language.

V. Conclusion

Where a recording artist or producer falsely claims authorship, intent must exist on the part of both parties at the time the work is created to enter into a joint authorship status if there is to be joint authorship. In many cases involving recording artists or producers listed as co-authors, this intent does not exist because the song was completed prior to pitching it to the artist or producer. There must also be a copyrightable contribution, or at least some contribution of authorship, to the work by the producer or artist. In most cases, there is no contribution other than making some minor changes to make the song suitable to the gender or singing style of the performer. The producer or artist is not an “author” of the song, nor was there intent on the part of the original songwriter to create a joint work. Thus, the putative author fails both prongs of the definition of a joint work.

If the song is not a joint work, then there must be some kind of permission given by the actual author to record the song, or to be *treated as a joint author*. In that case, there needs to be a written transfer of rights; such a transfer can be terminated. If there is no written agreement, then the transfer can only be implied as a non-exclusive license because the statute requires a writing for an exclusive license or other transfer of ownership. Non-exclusive licenses can also be terminated.

If the putative author protests that they were supposed to have these rights for the life of the copyright, that argument also fails. The termination provisions permit an author to terminate a transfer notwithstanding an “agreement to the contrary.” In the words of the House Report, “[t]he right to take this action cannot be waived in advance or contracted away.”¹⁵¹ Finally, the situation where a songwriter must give away part of the

ownership of the copyright to get the song recorded is exactly the type of unequal bargaining situation that the termination provisions sought to rectify.¹⁵²

By serving a proper termination notice on the putative co-author, the actual songwriters should be able to remove the conferred status as "author" of the producer or recording artist, thereby finally claiming their rightful share of the future proceeds from the recording, performances, and other uses of the song.

ENDNOTES

* Professor of Recording Industry, Middle Tennessee State University.

¹ *Hot 100*, BILLBOARD, Dec. 6, 2003, at 62.

² HERBERT G. GOLDMAN, JOLSON: THE LEGEND COMES TO LIFE 131–32 (1988).

³ ASCAP ACE Title Search at <http://www.ascap.com/ace/search.cfm?mode=search> (last visited Jan. 29, 2005). Jolson is listed as sole writer on only four songs. The site contains a disclaimer that it is put together from information furnished by the writers and publishers and "ASCAP makes no representations as to its accuracy." About ASCAP at <http://www.ascap.com/copyright.html> (last visited Jan. 29, 2005).

⁴ ALBERT GOLDMAN, ELVIS, 168–70 (1981).

⁵ Most of these were on the earlier recordings. The co-writing practice was apparently abandoned for mid- and later career recordings. BMI's site contains a disclaimer: "In some cases, the writer or publisher information shown may not reflect actual copyright ownership of a work as registered with the U.S. Copyright Office." *Conditions and Restrictions Regarding the BMI Repertoire*, at <http://www.bmi.com/about/legal/terms.asp#Conditions> (last visited Jan. 29, 2005).

⁶ *Merchant v. Levy*, 92 F.3d 51, 52–53 (2d Cir. 1996).

⁷ *Celine – Let's Talk About Money*, N.Y. POST, Jan.

29, 1998, at 12.

⁸ JIMMY WEBB, TUNESMITH: INSIDE THE ART OF SONGWRITING 302 (1998).

⁹ M. WILLIAM KRASILOVSKY & SIDNEY SHEMEL, THIS BUSINESS OF MUSIC 208–09 (8th ed. Billboard Books 2000).

¹⁰ *Id.* at 212.

¹¹ 17 U.S.C. § 302 (2004).

¹² *Id.* § 304. Under the 1909 Copyright Act, federal copyright protection lasted for a 28-year original term and one 28-year renewal term. The Copyright Act of 1976 extended the renewal term for an additional 19 years for works whose renewal had not already expired. Congress again extended the renewal term in 1998 for an additional 20 years for works whose renewal term had not already expired in 1998. For a thorough discussion of the history and constitutionality of those renewal extensions, see *Eldred v. Ashcroft*, 537 U.S. 186 (2003).

¹³ 17 U.S.C. §§ 203, 304(c). See generally P.L. 94-553, 90 Stat. 2541 (1976), as codified 17 U.S.C. §101 et seq. [hereinafter Copyright Act].

¹⁴ 17 U.S.C. § 101.

¹⁵ H.R. REP. NO. 94-1476, at 120 (1976), reprinted in 1976 U.S.C.C.A.N. 5659, 5739; see also 1-6 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 6.02 (2004).

¹⁶ *Edward B. Marks Music Corp. v. Jerry Vogel Music Co.*, 140 F.2d 266, 267 (2d Cir. 1944).

¹⁷ H.R. REP. NO. 94-1476, at 121. The Report states that there is no statutory elaboration on the rights of joint authors because Congress wanted to leave the well-established principles "undisturbed." Each co-owner has a right to use and license the work and a duty to account to the other co-owners for any profits.

¹⁸ 17 U.S.C. § 201(a).

¹⁹ 921 F. Supp. 1154, 1158 (S.D.N.Y. 1996).

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²⁰ *Id.* at 1156.

²¹ *Id.* at 1158; see 17 U.S.C. § 204(a).

²² *McLean*, 921 F. Supp. at 1158.

²³ *Id.*

²⁴ 17 U.S.C. § 101 (emphasis added).

²⁵ H.R. REP. NO. 94-1476, at 120.

²⁶ 1 NIMMER *supra* note 15, § 6.02. Goldstein would agree with this point. See 1 PAUL GOLDSTEIN, COPYRIGHT: PRINCIPLES, LAW AND PRACTICE § 4.2.1.1 (1989).

²⁷ H.R. REP. NO. 94-1476, at 120.

²⁸ 945 F.2d 500 (2d Cir. 1991).

²⁹ 147 F.3d 195 (2d Cir. 1998).

³⁰ 202 F.3d 1227 (9th Cir. 2000).

³¹ *Childress*, 945 F.2d at 507.

³² U.S. CONST., art. I, § 8.

³³ *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 58 (1884), *cited with approval in* *Feist Publ'ns v. Rural Tel. Serv. Co.*, 499 U.S. 340, 346 (1991).

³⁴ *Cnty. for Creative Non-Violence v. Reid*, 490 U.S. 731, 737 (1989).

³⁵ 1 NIMMER, *supra* note 15, § 6.07.

³⁶ *Forward v. Thorogood*, 985 F.2d 604, 607 (1st Cir. 1993).

³⁷ For a good summary of the background on this matter, see Mary LaFrance, *Authorship, Dominance, and the Captive Collaborator: Preserving the Rights of Joint Authors*, 50 EMORY L.J. 193 (2001).

³⁸ 1 GOLDSTEIN, *supra* note 27, § 4.2.1.2.

³⁹ 945 F.2d 500.

⁴⁰ *Id.* at 504.

⁴¹ *Id.* at 507.

⁴² 43 F. Supp. 2d 619 (E.D. La. 1999).

⁴³ *Id.* (quoting *Childress*, 945 F.2d at 507).

⁴⁴ *Id.* at 623.

⁴⁵ AL KOHN & BOB KOHN, KOHN ON MUSIC LICENSING 712 (3d ed. 2002).

⁴⁶ 17 U.S.C. § 115(a)(2) states:

A compulsory license includes the privilege of making a musical arrangement of the work to the extent necessary to conform it to the style or manner of interpretation of the performance involved, but the arrangement shall not change the basic melody or fundamental character of the work, and shall not be subject to protection as a derivative work under this title, except with the express consent of the copyright owner.

⁴⁷ 841 F. Supp. 118 (S.D.N.Y. 1994).

⁴⁸ *Id.* at 121.

⁴⁹ 17 U.S.C. § 101.

⁵⁰ *Id.* § 408(a).

⁵¹ *Id.* § 410(c).

⁵² *Id.* § 411(a).

⁵³ *Id.* § 411(b)(2).

⁵⁴ JAMES E. HAWES & BERNARD C. DEITZ, COPYRIGHT REGISTRATION PRACTICE § 22.2 (2d ed. 2003).

⁵⁵ 17 U.S.C. § 410(a).

⁵⁶ *Rose v. Bourne Co.*, 176 F. Supp. 605, 610 (S.D.N.Y. 1959).

⁵⁷ See generally, 3 NIMMER, *supra* note 15, § 12.11[A]; 1 GOLDSTEIN, *supra* note 27, § 4.2.1.1.

⁵⁸ 1 GOLDSTEIN, *supra* note 27, at 378.

⁵⁹ H.R. REP. NO. 94-1476, at 157, *quoted in* Carol Barnhart, Inc. v. Economy Cover Corp., 773 F.2d 411, 414 (2d Cir. 1985).

⁶⁰ 828 F. Supp. 1048, 1066 (S.D.N.Y. 1993).

⁶¹ Because the termination date must be thirty-five to forty years after the transfer, but the provisions allow for a ten year maximum notice, the action to determine the true authors could take place anywhere from 25 to 40 years after the fact of transfer. As is concluded below, the naming of a co-author who did not in fact author any of the work should probably be construed as a transfer of ownership.

⁶² Nimmer makes note of this practical difficulty, saying, "As a practical matter—as opposed to a matter of legal theory—too much time may have elapsed to make rebutting the presumption conveyed by the certificate a viable possibility." 3 NIMMER, *supra* note 15, at § 12.11[A], n.31.

⁶³ 17 U.S.C. § 101 (definition of "transfer of copyright ownership").

⁶⁴ *Id.* § 203(a)(3). For the sake of simplification, this article shall treat all terminations as if they were to happen thirty-five years or more after the grant with the realization that in the case of any particular recording the release of the recording is usually within a year of the grant. Whether the recording agreement constitutes the grant of rights for works to be completed in future years is discussed below.

⁶⁵ 17 U.S.C. § 304(c)(3).

⁶⁶ Pub. L. 105-298, 112 Stat. 2827, 105th Cong., 1st Sess. (1998).

⁶⁷ 17 U.S.C. § 304(d).

⁶⁸ *Id.* § 304(d)(2).

⁶⁹ *Id.* § 203 203(a).

⁷⁰ *Id.* § 304(c)(1), (2).

⁷¹ *Id.* §§ 203(a), 304(c).

⁷² *Id.*

⁷³ H.R. REP. NO. 94-1476, at 125.

⁷⁴ 17 U.S.C. § 203(a)(1); *see also* 17 U.S.C. § 304.

⁷⁵ The House Report gives several examples. In one illustration, a surviving widow who owns fifty percent of the termination interest under 203(a)(2) must be joined by a surviving child or all of a deceased child's children (because the termination right is passed *per stirpes* to the author's grandchildren). In the case of two joint authors, where one is deceased, "the living author must be joined by a per stirpes majority of the dead author's beneficiaries," H.R. REP. NO. 94-1476, at 126.

⁷⁶ *Id.*

⁷⁷ *See* discussion *infra* accompanying the *Marvel Characters* and *Mills Music* cases.

⁷⁸ 17 U.S.C. § 304(c)(1).

⁷⁹ *Id.* § 203.

⁸⁰ H.R. REP. NO. 94-1476, at 141.

⁸¹ 17 U.S.C. §§ 203(a)(5), 304(c)(5).

⁸² H.R. REP. NO. 94-1476, at 125.

⁸³ 310 F.3d 280, 291 (2d Cir. 2002).

⁸⁴ *Id.* at 292.

⁸⁵ *Id.* at 290–91.

⁸⁶ 469 U.S. 153, 172–73 (1985).

⁸⁷ *Marvel Characters, Inc.*, 310 F.3d at 290 (citing *Mills Music, Inc.*, 469 U.S. at 172–73).

⁸⁸ *Id.* at 291 (citing 3 NIMMER, *supra* note 15, § 11.02[A][2]).

⁸⁹ *Id.* at 291.

⁹⁰ *Id.* at 292.

⁹¹ *Id.* (citations omitted).

⁹² H.R. REP. NO. 94-1476, at 124. In the pre-revision studies, Register of Copyrights Barbara Ringer described the Renewal provisions of the 1909 law as "Congressional recognition that author-publisher contracts must frequently be made at a time when the value of the work is unknown or conjectural and the author (regardless of his business ability) is necessarily in a poor bargaining position." Barbara A. Ringer, *Renewal of Copyright, Studies Prepared for the Subcommittee on Patents, Trademarks, and Copyrights of the Senate Committee on the Judiciary, Study No. 31*, 86th Cong., 1st Sess., 125 (1960). The 1961 Register's Report urged Congress to provide that assignments should not be effective for more than twenty years to compensate for the relatively poor bargaining position of authors who transfer rights for "less than a fair share of the economic value of their works..." *Id.* at 93, because renewal rights under the 1909 law had "largely failed to accomplish [this] primary purpose." *Id.* at 53. The legislative history of the 1909 law reveals that the primary purpose of renewal was, indeed, just that. "It not infrequently happens that the author sells his copyright outright to a publisher for a comparatively small sum. If the work proves to be a great success and lives beyond the term of twenty-eight years, your committee felt that it should be the exclusive right of the author to take the renewal term, and the law could be framed as is the existing law, so that he could not be deprived of that right." H.R. REP. NO. 60-2222 (1909), S. REP. NO. 60-1108, at 14 (1909). The first revision bill considered contained termination provisions. 1964 Copyright Revision Bill, § 16. The first House Report, No. 2237 on H.R. 4347 in 1966 stated, in language identical to the House Report on the present law, "A provision of this sort is needed because of the unequal bargaining position of authors, resulting in part from the impossibility of determining a work's value until it has been exploited." *Id.* at 119; H.R. REP. NO. 94-1476, at 124. This history and purpose is thoroughly reviewed and the same conclusion reached in *Mills Music*. 469 U.S. at 173.

⁹³ 469 U.S. at 172-73.

⁹⁴ H.R. REP. NO. 94-1476, at 124.

⁹⁵ NEIL BOORSTYN, *BOORSTYN ON COPYRIGHT* § 8.01 (2d ed. 2000); 3 NIMMER, *supra* note 15, § 11.01[B].

⁹⁶ 3 NIMMER, *supra* note 15, § 11.01[B], 11-4.

⁹⁷ *Mills Music, Inc.*, 469 U.S. at 153-88.

⁹⁸ *Stewart v. Abend*, 450 U.S. 207, 207-56 (1990).

⁹⁹ *Id.* at 224-28.

¹⁰⁰ *Id.* at 224. The petitioners were attempting to draw out of the provision § 304(c)(6)(A) which allows the users of derivative works to continue to use those works after the termination of the extended renewal period. *Id.* As noted in *Mills Music*, those provisions are comparable to the provisions in § 203(b)(1). *Mills Music, Inc.*, 469 U.S. at 173 n. 39.

¹⁰¹ *Mills Music, Inc.*, 494 U.S. at 173 n. 39 (citing H.R. REP. NO. 94-1476).

¹⁰² 490 U.S. at 746. In *Reid* the discussion of the "historic compromise" centered around the work made for hire provisions of the Act.

¹⁰³ 17 U.S.C. § 304(c)(6)(A).

¹⁰⁴ 17 U.S.C. § 203(b)(1).

¹⁰⁵ *Id.* The entire provision reads: "A derivative work prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination, but this privilege does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant."

¹⁰⁶ 469 U.S. at 563-75.

¹⁰⁷ *Id.* at 153-54.

¹⁰⁸ *Id.* at 175.

¹⁰⁹ The Court actually recognized Snyder's interpretation of the legislative history on that point. *Id.* at 176-77.

¹¹⁰ *Id.* at 178.

¹¹¹ *Id.*

¹¹² *Id.* at 169.

¹¹³ *Id.* at 172.

¹¹⁴ Justices White, Brennan, Marshall and Blackmun labeled the reading of the statute as “awkward and clumsy.” *Id.* at 180.

¹¹⁵ Howard B. Abrams, *Who’s Sorry Now? Termination Rights and the Derivative Works Exception*, 62 U. DET. L. REV. 181 (1985); Jessica D. Litman, *Copyright, Compromises and Legislative History*, 72 CORNELL L. REV. 857 (1987); William F. Patry, *Copyright and the Legislative Process: A Personal Perspective*, 14 CARDOZO ARTS AND ENT. L.J. 139 (1996).

¹¹⁶ Litman, *supra* note 115. at 902.

¹¹⁷ *Mills Music, Inc.*, 469 U.S. at 169.

¹¹⁸ 17 U.S.C. § 507(a).

¹¹⁹ See, e.g., *Zuill v. Shanahan*, 80 F.3d 1366, 1369 (9th Cir. 1996); *Stone v. Williams*, 970 F.2d 1043, 1048 (2d Cir. 1992); *Taylor v. Meirick*, 712 F.2d 1112, 1117 (7th Cir. 1983); *Armstrong v. Virgin Records, Ltd.*, 91 F. Supp. 2d 628, 641 (S.D.N.Y. 2000).

¹²⁰ 80 F.3d at 1369.

¹²¹ *Id.* at 1368.

¹²² *Id.* at 1371.

¹²³ *Id.* at 1369.

¹²⁴ *Id.*

¹²⁵ *Id.* at 1370–71.

¹²⁶ *Id.* at 1370.

¹²⁷ *Id.* at 1369–70, n.1 (citing S. Rep. No. 85-1014, at 1963 (1957)). It might be thought that the 1957 Senate report on an amendment of

the copyright law may not represent very good authority on Congress’ intent in the 1976 version of the Act that was passed. However, House Report No. 94-1476 (1976), generally regarded as the most authoritative source of legislative history on the 1976 Act, implies an incorporation of that intent. H.R. REP. NO. 94-1476, at 164. It states, “Section 507, which is substantially identical with section 115 of the present [1909] law, establishes a three-year statute of limitations for both criminal proceedings and civil actions. The language of this section, which was adopted by the act of September 7, 1957 (71 Stat. 633), represents a reconciliation of views, and has therefore been left unaltered.” *Id.*

¹²⁸ 92 F.3d 51, 56 (2d Cir. 1996).

¹²⁹ Levy was in fact convicted of federal extortion charges for threatening the plaintiffs and sentenced to ten years in prison. *Id.* at 53.

¹³⁰ 970 F.2d at 1046–47.

¹³¹ *Id.* at 1048.

¹³² *Id.* at 1051.

¹³³ *Id.*

¹³⁴ *Id.*

¹³⁵ *Zuill*, 80 F.3d at 1370 (citing 1 NIMMER, *supra* note 15, § 12.05 n.2.2).

¹³⁶ 78 F.3d 1007, 1015 (5th Cir. 1996).

¹³⁷ 17 U.S.C. § 203(a)(1).

¹³⁸ *Id.*

¹³⁹ *Id.* § 203(b)(2).

¹⁴⁰ *Id.* § 203(b)(4).

¹⁴¹ *Id.* § 203(b)(6).

¹⁴² H.R. REP. NO. 94-1476, at 128.

¹⁴³ See, e.g., *Goodman v. Lee*, 78 F.3d 1007, 1014. The defense is also sometimes stated as a two

part test requiring “lack of diligence” or “unreasonable delay” and prejudice to the defendants. *E.g.*, *Armstrong v. Virgin Records, Ltd.*, 91 F. Supp. 2d 628, 643 (S.D.N.Y. 2000).

¹⁴⁴ The Supreme Court recognized that doctrine in early admiralty cases, stating that claimants in chancery cases “ought to come with clean hands and a pure heart.” *United States v. The Schooner Betsy*, 8 U.S. (4 Cranch) 443 (1807); *Mason v. Ship Blaireau*, 6 U.S. (2 Cranch) 240 (1802).

¹⁴⁵ 17 U.S.C. § 506(e).

¹⁴⁶ Nimmer comments, “[A]s crimes go, this one barely qualifies for the label....”⁴ NIMMER, *supra* note 15, § 15.03.

¹⁴⁷ 492 F. Supp. 198, 201 (W.D. Pa. 1980).

¹⁴⁸ *See Original Appalachian Artworks, Inc. v. Toy Loft, Inc.*, 489 F. Supp. 174, 180 (N.D. Ga. 1980), (deeming a misstatement innocent and not fraudulent), *aff’d*, 684 F.2d 821 (11th Cir. 1982).

¹⁴⁹ *See, Too, Inc. v. Kohl’s Dep’t Stores, Inc.* 210 F. Supp. 2d 402, 405 (S.D.N.Y. 2002); *Asia Entertainment v. Nguyen*, 40 U.S.P.Q.2d 1183, 1186 (C.D. Cal. 1996); *Harris Custom Builders v. Hoffmeyer*, 834 F. Supp. 256, 259 (N.D. Ill. 1993), *Rev’d on other grounds*, 92 F. 3d 517 (7th Cir. 1996).

¹⁵⁰ 728 F. Supp. 597, 603 (N.D. Cal. 1989).

¹⁵¹ H.R. REP. NO. 94-1476, at 125.

¹⁵² *Id.* at 124.

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